

Chief, St/I/R

10 December 1958

THRU : Chief, D/S
Chief, S/TD

Contributions to OCI Periodic Requirements List for the USSR and the Soviet Bloc for the period 1 January 1959 - 30 April 1959

USSR

III. Economic

The Soviet firm Ingosstrakh reportedly is expanding its insurance and reinsurance operations in Western Europe. Recent reports state that the premiums charged by Ingosstrakh and Ingosstrakh-backed Free World agencies are so low that they are believed to be non-profitable.

(a) Provide the names of Free World firms backed by Ingosstrakh.

(b) What rates are charged by Ingosstrakh and the Ingosstrakh-backed firms?

(c) Provide information that may explain the motivation for charging rates considerably below established premiums.

(d) Provide information that may confirm or deny the use of the insurance business for commercial or industrial espionage purposes.

(e) Provide information linking these insurance activities with illicit East-West trade. (C)

Soviet Bloc

II. Economic

East-West Trade

Many Free World trading firms are known or suspected to be connected with Soviet Bloc organizations. For example, a West German East-West trader Richard Fleschner (AKA Balzberg) has recently been arrested by West German authorities for economic espionage activities on behalf of the USSR.

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(a) Identify Free World traders and trading firms used by the Soviet Bloc to collect intelligence or associated with espionage activities.

(b) Provide information on their activities on behalf of the Soviet Bloc; for example, are they used to collect intelligence, as an agency for providing funds for Communist activities, for procuring strategic materials, or for serving as propagandists for advancing Communist objectives. (C)

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